



## TEXAS DEPARTMENT OF INSURANCE

### Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

(512) 804-4000 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

## MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

### GENERAL INFORMATION

**Requestor Name**

American Specialty Pharmacy

**Respondent Name**

State Office of Risk Management

**MFDR Tracking Number**

M4-15-3871-01

**Carrier's Austin Representative**

Box Number 45

**MFDR Date Received**

July 27, 2015

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "CIONAZEPAM 1 MG is medically necessary: ... for anxiety secondary to injury ... to treat seizures and panic disorder ..."

**Amount in Dispute:** \$73.80

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "Research found that Clonazepam is classified as an 'N' status Medication in the ODG Treatment in Workers' Compensation (ODG)/Appendix A, ODG Workers' Compensation Drug Formulary. Pursuant to Rule 134.530 preauthorization is required if a medication is prescribed and is classified as an 'N' status medication in Appendix A of the ODG treatment guidelines."

**Response Submitted by:** State Office of Risk Management

### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
March 19, 2015	Prescription Medication (Clonazepam)	\$73.80	\$0.00

### FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

**Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.530 sets out the requirements for use of the closed formulary for claims not subject to certified networks.
3. 28 Texas Administrative Code §134.600 sets out the procedures regarding preauthorization of health care.
4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - 197 – Payment denied/reduced for absence of precertification/authorization.

- 4121 – Preauthorization is required for drugs identified with a status of “N” in the current edition of the “official Disability Guidelines Treatment in Workers’ Comp” (ODG)/Appendix A, “ODG Workers’ Compensation Drug Formulary” and any updates.

### **Issues**

Are the insurance carrier’s reasons for denial or reduction of payment supported?

### **Findings**

28 Texas Administrative Code §134.530 (b) (1) states, in relevant part, “Preauthorization is only required for: ... (A) drugs identified with a status of "N" in the current edition of the *ODG Treatment in Workers' Comp* (ODG) / Appendix A, *ODG Workers' Compensation Drug Formulary*, and any updates” Review of the submitted documentation finds that the dispute involves the prescription medication Clonazepam. The *ODG Treatment in Workers' Comp* (ODG) / Appendix A, *ODG Workers' Compensation Drug Formulary* in effect on the date of service finds that Clonazepam is an “N” status drug. Therefore, the medication requires preauthorization.

28 Texas Administrative Code §134.530 (e)(1) states, “For situations in which the prescribing doctor determines and documents that a drug excluded from the closed formulary is necessary to treat an injured employee's compensable injury and has prescribed the drug, the prescribing doctor, other requestor, or injured employee must request approval of the drug by requesting preauthorization, including reconsideration, in accordance with §134.600 of this title and applicable provisions of Chapter 19 of this title (relating to Agents' Licensing).” Review of the submitted information does not find that a request for preauthorization was requested or obtained in accordance with 28 Texas Administrative Code §134.600. For this reason, the insurance carrier’s denial reason is supported. Additional reimbursement cannot be recommended.

### **Conclusion**

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

### ***ORDER***

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

### **Authorized Signature**

_____	Laurie Garnes	August 31, 2015
Signature	Medical Fee Dispute Resolution Officer	Date

### ***YOUR RIGHT TO APPEAL***

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**